

HELM-PACIFIC LEASING
JOINT VENTURE

One Embarcadero Center • San Francisco, CA 94111
415/398-4510 FAX 415/398-4816

April 30, 1999

RECORDATION NO. **22155** TS

FILED

MAY 4 '99

12-30PM



Mr. Vernon Williams
Surface Transportation Board
1925 K Street, N.W.
Washington, D.C. 20423-0001

Dear Mr. Williams:

Enclosed are three (3) originals of the **Memorandum of Net Lease Agreement** dated as of November 1, 1998 ("**Memorandum**") between the following parties:

Lessor:	Helm-Pacific Leasing c/o Helm Pacific Corporation One Embarcadero Center, Suite 3700 San Francisco, CA 94111
Lessee:	Alaska Railroad Corporation 327 West Ship Creek Avenue Anchorage, AK 99501

The equipment involved in this transaction is as follows:

Equipment: Seventy-nine (79) railcars as more fully described in Schedule A attached hereto.

Please file this Memorandum as a primary document and return **two (2)** stamped originals to my attention. A check covering the filing fee of twenty-six dollars (\$26.00) is enclosed.

Yours truly,

A handwritten signature in cursive script that reads "Alison Drain".

Alison Drain
Document Administrator

/ad

Enclosures (3)

MAY 4 '99

12-30PM

MEMORANDUM OF
NET LEASE AGREEMENT

THIS MEMORANDUM OF NET LEASE AGREEMENT ("Memorandum") is dated as of November 1, 1998 and is intended to evidence that certain Net Lease Agreement dated as of November 1, 1998 ("Lease") between HELM-PACIFIC LEASING, a Nebraska general partnership ("Lessor"), and ALASKA RAILROAD CORPORATION, an Alaska corporation ("Lessee"), for the purpose of satisfying the requirements of recordation with the Surface Transportation Board of the Department of Transportation under Section 49 of U.S.C. 11301. Lessor has the right to lease the rail equipment, more fully described in Schedule A hereto ("Units"). Lessee leased from Lessor the Units at the Rent and upon the terms and conditions provided in the Lease.

The Lease and the Units cannot be assigned, subleased or in any way encumbered without the prior written consent of Lessor. Lessee has granted a security interest unto Lessor in and to any and all Payments, as such term is defined in the Lease, including, without limitation, any and all Rent and other Payments pursuant to any sublease of the Units. In the Event of Default, as such term is defined in the Lease, Lessee assigns any and all subleases to Lessor.

IN WITNESS WHEREOF, the parties hereto have caused this Memorandum to be executed by their duly authorized representative as of the day and year first above written.

LESSOR

LESSEE

HELM-PACIFIC LEASING

ALASKA RAILROAD CORPORATION

By: Helm Pacific Corporation,
a General Partner

By: David R. Eckles

Print Name: David R. Eckles

Title: President

By: George Erickson

Print Name: George EricksonTitle: VP Transp Svcs

By: Union Pacific Venture Leasing,
Incorporated, a General Partner

By: Eric L. Butler

Print Name: Eric L. Butler

Title: President

SCHEDULE A

TO THE MEMORANDUM OF LEASE

Description of Units:

Seventy-nine (79), 4 compartment, 100-ton, 3,610 cubic foot, open top hopper railcars with 45 degree slope sheets; manufactured by Trinity Railcar in 1990.

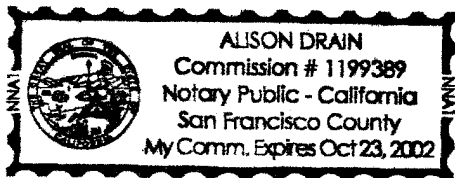
Unit Number			Unit Number			Unit Number			Unit Number		
1	TNM	20000	24	TNM	20031	47	TNM	20058	70	TNM	20088
2	TNM	20001	25	TNM	20032	48	TNM	20059	71	TNM	20093
3	TNM	20003	26	TNM	20033	49	TNM	20060	72	TNM	20094
4	TNM	20004	27	TNM	20034	50	TNM	20061	73	TNM	20095
5	TNM	20008	28	TNM	20035	51	TNM	20062	74	TNM	20096
6	TNM	20009	29	TNM	20036	52	TNM	20063	75	TNM	20098
7	TNM	20010	30	TNM	20037	53	TNM	20064	76	TNM	20099
8	TNM	20011	31	TNM	20038	54	TNM	20065	77	TNM	20100
9	TNM	20012	32	TNM	20039	55	TNM	20067	78	TNM	20103
10	TNM	20013	33	TNM	20040	56	TNM	20068	79	TNM	20104
11	TNM	20015	34	TNM	20043	57	TNM	20069			
12	TNM	20016	35	TNM	20045	58	TNM	20072			
13	TNM	20017	36	TNM	20046	59	TNM	20074			
14	TNM	20018	37	TNM	20047	60	TNM	20075			
15	TNM	20021	38	TNM	20048	61	TNM	20076			
16	TNM	20022	39	TNM	20049	62	TNM	20077			
17	TNM	20023	40	TNM	20050	63	TNM	20078			
18	TNM	20024	41	TNM	20051	64	TNM	20079			
19	TNM	20025	42	TNM	20053	65	TNM	20080			
20	TNM	20026	43	TNM	20054	66	TNM	20082			
21	TNM	20027	44	TNM	20055	67	TNM	20083			
22	TNM	20029	45	TNM	20056	68	TNM	20084			
23	TNM	20030	46	TNM	20057	69	TNM	20085			

STATE OF CALIFORNIA)
) S.S.
COUNTY OF SAN FRANCISCO)

On April 15th, 1999, before me, Alison Drain, personally
appeared David R. Eckles, President of HELM PACIFIC CORPORATION,

X personally known to me -OR-

— proved to me on the basis of satisfactory evidence to be the person(s)
whose name(s) is/are subscribed to the within instrument and acknowledged
to me that he/she/they executed the same in his/her/their authorized
capacity(ies), and that by his/her/their signature(s) on the instrument the
person(s), or the entity upon behalf of which the person(s) acted, executed
the instrument.



Witness my hand and official seal.

Alison Drain
SIGNATURE OF THE NOTARY

[Notarial Seal]

STATE OF NEBRASKA)
) S.S.
COUNTY OF DOUGLAS)

On April 8, 1999, before me, Sheryl L. Alvey, personally
appeared Eric L. Butler, President of UNION PACIFIC VENTURE LEASING,
INCORPORATED,

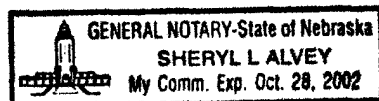
— personally known to me -OR-

✓ proved to me on the basis of satisfactory evidence to be the person(s)
whose name(s) is/are subscribed to the within instrument and acknowledged
to me that he/she/they executed the same in his/her/their authorized
capacity(ies), and that by his/her/their signature(s) on the instrument the
person(s), or the entity upon behalf of which the person(s) acted, executed
the instrument.

Witness my hand and official seal.

Sheryl L. Alvey
SIGNATURE OF THE NOTARY

[Notarial Seal]

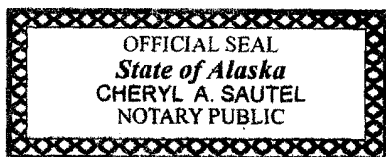


STATE OF ALASKA
Third Judicial District,)
MUNICIPALITY OF ANCHORAGE) S.S.

On March 23, 1999, before me, Cheryl A. Sautel, personally
appeared George L. Erickson, of _____
ALASKA RAILROAD CORPORATION,

X personally known to me -OR-

— proved to me on the basis of satisfactory evidence to be the person(s)
whose name(s) is/are subscribed to the within instrument and acknowledged
to me that he/she/they executed the same in his/her/their authorized
capacity(ies), and that by his/her/their signature(s) on the instrument the
person(s), or the entity upon behalf of which the person(s) acted, executed
the instrument.



Witness my hand and official seal.

Cheryl A. Sautel

SIGNATURE OF THE NOTARY

my Commission Expires: 7/17/01

[Notarial Seal]